

STAFF AGENDA MEMORANDUM

DATE OF MEETING: October 6, 2021

AGENDA ITEM: **Delegation to Staff:
Authority to Apply an Alternative Licensing Standard;
States with Similar and Adequate Safeguards**

PRESENTER: John Mooney, Managing Director, Regulatory Oversight

ISSUE SUMMARY:

For licenses required under the Sports Wagering Law, the Commission may establish an abbreviated licensing process for an applicant who holds a valid license in Maryland or another state, if the Commission determines that the licensing standards of the issuing agency are comprehensive and thorough, and provide similar and adequate safeguards to those in the Sports Wagering Law. State Gov't Art., § 9-1E-05(c), Annotated Code of Maryland. The Commission may waive some or all licensing requirements, except those that relate to minority business enterprise participation goals and procedures established under SG § 9-1E-07; or is a requirement of the Sports Wagering Application Review Commission. SG, § 9-1E-05(c).

Accordingly, the Commission's regulations implement this provision of the Sports Wagering Law, and establish a process by which the Commission may apply an alternative licensing standard to an applicant, waive some or all licensing requirements. COMAR 36.10.02.12. This regulation also allows the Commission to delegate to Agency Staff its authority to make a decision on a request from an applicant to apply an alternative licensing standard.

A similar provision exists in the Gaming Law, under which the Commission determined that the licensing standards of 12 states are comprehensive and thorough, and provide similar and adequate safeguards to those in the Gaming Law: Arkansas, Illinois, Kansas, Louisiana, Mississippi, Missouri, Nevada, New Jersey, New York, Pennsylvania, Rhode Island, and Wisconsin. Staff has determined that these 12 states also have licensing standards that are comprehensive and thorough and provide similar and adequate safeguards to those in the Sports Wagering Law. Staff has identified 4 additional states that meet the same criteria for sports wagering: Colorado, Michigan, Massachusetts, and Virginia.

Maryland's qualification standards for a casino-related license are identical to and specifically incorporated in the Sports Wagering Law, and are therefore, clearly sufficient for qualifying an applicant for a sports wagering license on that basis.

For these reasons, Staff is requesting that the Commission determine that the 16 states, and Maryland, have licensing standards that are comprehensive and thorough, and provide similar and adequate safeguards to those in the Sports Wagering Law. Staff is also requesting that the Commission delegate to Staff the authority to decide whether to apply an alternative licensing standard to an applicant who holds a valid sports wagering license in at least one of these states and makes a request to apply an alternative licensing standard in support of its application for a sports wagering license.

COMMISSION ACTION REQUIRED/REQUESTED:

Motion that the Commission determine that all 16 states identified have licensing standards that are

comprehensive and thorough, and provide similar and adequate safeguards to those in the Sports Wagering Law, and delegate the authority to Staff decide whether to apply an alternative licensing standard to an applicant on that basis.

STAFF RECOMMENDATIONS: Staff recommends the Commission approve the motion.